

Assembly Bill No. 1937

CHAPTER 237

An act to amend Section 21328 of, and to add Sections 31664.1, 31664.2, and 31681.55 to, the Government Code, relating to retirement.

[Approved by Governor August 24, 2000. Filed with
Secretary of State August 25, 2000.]

LEGISLATIVE COUNSEL'S DIGEST

AB 1937, Correa. Retirement: benefits.

Under the Public Employees' Retirement Law, retirement allowances being paid on account of retired or deceased state and school members were increased, effective January 1, 2000, by up to 6%, as specified.

This bill would authorize contracting agencies of the Public Employees' Retirement System to likewise increase retirement allowances being paid on account of their retired or deceased members.

Under the County Employees Retirement Law of 1937, service retirement allowances for safety members are based on a 2% at age 50 formula and allowances for other members are based on other specified formulae.

This bill would authorize counties or districts, subject to approval by the county board of supervisors, to (1) provide service retirement allowances for safety members based on a 3% at age 50 formula or 3% at age 55 formula, and (2) increase allowances being paid on account of retired or deceased members by up to 6%, as specified.

The people of the State of California do enact as follows:

SECTION 1. Section 21328 of the Government Code is amended to read:

21328. (a) In addition to the increase in allowance authorized and granted pursuant to Section 21313, and notwithstanding the limitation on that increase imposed by this article and subdivision (b) of Section 21337, effective January 1, 2000, or the date this section becomes applicable to the contracting agency, the monthly allowance paid with respect to a state, local, or school member who retired or died prior to January 1, 2000, or the date this section becomes applicable to the contracting agency, other than an allowance provided by Article 3 (commencing with Section 21570) of Chapter 14, shall be increased by the percentage set forth opposite the year of retirement or death in the following schedule:

Period during which retirement or death occurred:	Percentage:
24 months ending Dec. 31, 1999	0.0%
12 months ending Dec. 31, 1997	1.0%
24 months ending Dec. 31, 1996	2.0%
60 months ending Dec. 31, 1994	3.0%
60 months ending Dec. 31, 1989	4.0%
120 months ending Dec. 31, 1984	5.0%
12 months ending Dec. 31, 1974	
or earlier	6.0%

The percentage shall be applied to the allowance payable on January 1, 2000, or the date this section becomes applicable to the contracting agency, and the allowance as so increased shall be paid for time on and after that date and until the first day of April immediately following the date of application. The base allowance shall be the allowance as increased under this section. Notwithstanding Section 21337 to the contrary, this increase shall not be included in determining the initial monthly allowance upon which a supplemental benefit is payable pursuant to Section 21337.

(b) This section shall not apply to any contracting agency unless and until the agency elects to be subject to its provisions by amendment to its contract, made in the manner prescribed for approval of contracts, or, in the case of contracts made after the effective date of this section, by an express provision in the contract making the contracting agency subject to the provisions of this section.

SEC. 2. Section 31664.1 is added to the Government Code, to read:

31664.1. (a) This section may be made applicable in any county on the first day of the month after the board of supervisors of the county adopts, by majority vote, a resolution providing that this section shall become applicable in the county.

(b) Notwithstanding any other provisions of this chapter, the current service pension or the current service pension combined with the prior service pension is an additional pension for safety members purchased by the contributions of the county or district sufficient when added to the service retirement annuity to equal 3 percent of the member's final compensation set forth opposite his or her age at retirement, taken to the preceding completed quarter year, in the following table, multiplied by the number of years of current service or years of current and prior service with which the member is entitled to be credited at retirement. In no event shall the total retirement allowance exceed the limitation of the safety

member's final compensation as set forth in Section 31676.1, as it now reads or may hereafter be amended to read.

Age at Retirement	Fraction
41 .....	.6258
41 $\frac{1}{4}$ .....	.6350
41 $\frac{1}{2}$ .....	.6442
41 $\frac{3}{4}$ .....	.6533
42 .....	.6625
42 $\frac{1}{4}$ .....	.6720
42 $\frac{1}{2}$ .....	.6814
42 $\frac{3}{4}$ .....	.6909
43 .....	.7004
43 $\frac{1}{4}$ .....	.7102
43 $\frac{1}{2}$ .....	.7200
43 $\frac{3}{4}$ .....	.7299
44 .....	.7397
44 $\frac{1}{4}$ .....	.7499
44 $\frac{1}{2}$ .....	.7601
44 $\frac{3}{4}$ .....	.7703
45 .....	.7805
45 $\frac{1}{4}$ .....	.7910
45 $\frac{1}{2}$ .....	.8016
45 $\frac{3}{4}$ .....	.8121
46 .....	.8226
46 $\frac{1}{4}$ .....	.8339
46 $\frac{1}{2}$ .....	.8452
46 $\frac{3}{4}$ .....	.8586
47 .....	.8678
47 $\frac{1}{4}$ .....	.8780
47 $\frac{1}{2}$ .....	.8882
47 $\frac{3}{4}$ .....	.8983
48 .....	.9085
48 $\frac{1}{4}$ .....	.9194
48 $\frac{1}{2}$ .....	.9304
48 $\frac{3}{4}$ .....	.9413
49 .....	.9522
49 $\frac{1}{4}$ .....	.9641
49 $\frac{1}{2}$ .....	.9761



49 $\frac{3}{4}$ .....	.9880
50 and over	1.0000

(c) Contributions shall not be made by safety members having credit for 30 years of continuous service.

SEC. 3. Section 31664.2 is added to the Government Code, to read:

31664.2. (a) This section may be made applicable in any county on the first day of the month after the board of supervisors of the county adopts, by majority vote, a resolution providing that this section shall become applicable in the county.

(b) Notwithstanding any other provisions of this chapter, the current service pension or the current service pension combined with the prior service pension is an additional pension for safety members purchased by the contributions of the county or district sufficient when added to the service retirement annuity to equal 3 percent of the member's final compensation set forth opposite his or her age at retirement, taken to the preceding completed quarter year, in the following table, multiplied by the number of years of current service or years of current and prior service with which the member is entitled to be credited at retirement. In no event shall the total retirement allowance exceed the limitation of the safety member's final compensation as set forth in Section 31676.1, as it now reads or may hereafter be amended to read.

Age at Retirement	Fraction
41 .....	.4777
41 $\frac{1}{4}$ .....	.4848
41 $\frac{1}{2}$ .....	.4918
41 $\frac{3}{4}$ .....	.4987
42 .....	.5058
42 $\frac{1}{4}$ .....	.5130
42 $\frac{1}{2}$ .....	.5202
42 $\frac{3}{4}$ .....	.5274
43 .....	.5347
43 $\frac{1}{4}$ .....	.5422
43 $\frac{1}{2}$ .....	.5497
43 $\frac{3}{4}$ .....	.5572
44 .....	.5647
44 $\frac{1}{4}$ .....	.5725
44 $\frac{1}{2}$ .....	.5803
44 $\frac{3}{4}$ .....	.5881

45	.5958
45 $\frac{1}{4}$	.6039
45 $\frac{1}{2}$	.6120
45 $\frac{3}{4}$	.6200
46	.6280
46 $\frac{1}{4}$	.6366
46 $\frac{1}{2}$	.6452
46 $\frac{3}{4}$	.6555
47	.6625
47 $\frac{1}{4}$	.6703
47 $\frac{1}{2}$	.6781
47 $\frac{3}{4}$	.6858
48	.6936
48 $\frac{1}{4}$	.7019
48 $\frac{1}{2}$	.7103
48 $\frac{3}{4}$	.7186
49	.7269
49 $\frac{1}{4}$	.7360
49 $\frac{1}{2}$	.7452
49 $\frac{3}{4}$	.7543
50	.7634
50 $\frac{1}{4}$	.7733
50 $\frac{1}{2}$	.7832
50 $\frac{3}{4}$	.7930
51	.8028
51 $\frac{1}{4}$	.8135
51 $\frac{1}{2}$	.8242
51 $\frac{3}{4}$	.8349
52	.8457
52 $\frac{1}{4}$	.8574
52 $\frac{1}{2}$	.8691
52 $\frac{3}{4}$	.8808
53	.8926
53 $\frac{1}{4}$	.9053
53 $\frac{1}{2}$	.9182
53 $\frac{3}{4}$	.9310
54	.9418
54 $\frac{1}{4}$	.9579
54 $\frac{1}{2}$	.9718



54 ³ / ₄ .....	.9860
55 and over	1.0000

(c) Contributions shall not be made by safety members having credit for 30 years of continuous service.

SEC. 4. Section 31681.55 is added to the Government Code, to read:

31681.55. Effective the first day of the first month after adoption of this section by the board of supervisors, allowance paid with respect to any member of this system who retired or died prior to January 1, 2001, shall be increased by the percentage set forth opposite the year of retirement or death in the following schedule:

Period during which retirement or death occurred:	Percentage:
January 1, 1998, or later	0.0%
12 months ending Dec. 31, 1997	1.0%
24 months ending Dec. 31, 1996	2.0%
60 months ending Dec. 31, 1994	3.0%
60 months ending Dec. 31, 1989	4.0%
120 months ending Dec. 31, 1984	5.0%
12 months ending Dec. 31, 1974, or earlier	6.0%

The percentage shall be applied to the allowance payable on the effective date, and the allowance as so increased shall be paid for time on and after that date and shall be subject to annual cost-of-living adjustments.

(b) This section shall not be operative in any county until such time as the board of supervisors shall, by resolution adopted by majority vote, make the provisions of this section applicable in that county.